UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE

In Re:

\$ Chapter 11

\$ W.R. GRACE & CO., et al.,

\$ Jointly Administered
Case No. 01-01139 (JKF)

\$ \$

FEE AUDITOR'S FINAL REPORT REGARDING FEE APPLICATION OF RICHARDSON PATRICK WESTBROOK & BRICKMAN, LLC FOR THE TWENTY-FOURTH INTERIM PERIOD

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the <u>Fee Application of Richardson</u> Patrick Westbrook & Brickman, LLC for the Twenty-Fourth Interim Period (the "Application").

BACKGROUND

- 1. Richardson Patrick Westbrook & Brickman LLC ("RPWB") was appointed as lead special counsel to ZAI Claimants. In the Application RPWB seeks approval of fees totaling \$99,805.00 and costs totaling \$0.00 for its services from January 1, 2007, through March 31, 2007.
- 2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2001, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330, Issued January 30, 1996, (the "Guidelines"), as well as for consistency with precedent established in the

United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

DISCUSSION

- 3. We note that per RPWB's Appointment Order, the Court set a total budget for ZAI counsel of \$1.5 million in fees and \$500,000 in expenses for prosecuting the Science Trial. On July 28, 2003, the Court entered an Order increasing the budget by \$950,000 per side for additional attorney fees and expenses. We note that an Order was entered on September 27, 2004, further increasing the litigation budget in the ZAI Science Trial by \$750,000.00 per side for additional attorneys' fees and expenses. For the period through the time covered by the Application, RPWB's fees and expenses are within the prescribed budget.
- 4. We will continue to monitor the ZAI Science Trial litigation budget for all participating parties. We have no objections to, or issues with, this Application for the 24th Interim Period, and thus we did not send an initial report to RPWB.

CONCLUSION

5. Thus we recommend approval of fees totaling \$99,805.00 and costs totaling \$0.00 for RPWB's services from January 1, 2007, through March 31, 2007.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: Warren H. Smith

Texas State Bar No. 18757050

Republic Center 325 N. St. Paul, Suite 1275 Dallas, Texas 75201 214-698-3868 214-722-0081 (fax)

whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served First Class United States mail to the attached service list on this 30th day of August, 2007.

SERVICE LIST

Notice Parties

The Applicant

Edward J. Westbrook, Esq. Robert M. Turkewitz, Esq. Robert S. Wood, Esq. Richardson Patrick Westbrook & Brickman 174 East Bay Street Charleston, South Carolina 29401

The Debtors

David B. Siegel, Esq. Sr. V.P. and Gen. Counsel W.R. Grace & Co. 7500 Grace Drive Columbia, MD 21044

Counsel for the Debtors

James H.M. Sprayregen, Esq. Kirkland & Ellis 200 East Randolph Drive Chicago, IL 60601

Laura Davis Jones, Esq. Pachulski, Stang, Ziehl, Young & Jones, P.C. 919 North Market Street, Suite 1600 P.O. Box 8705 Wilmington, DE 19899-8705

Counsel for the Official Committee of Unsecured Creditors

Lewis Kruger, Esq Stroock & Stroock & Lavan 180 Maiden Lane New York, NY 10038-4982

Michael R. Lastowski, Esq. Duane Morris & Heckscher 1100 N. Market Street, Suite 1200 Wilmington, De 19801-1246

Counsel to the Official Committee of Property

Damage Claimants

Scott L. Baena, Esq Bilzin, Sumberg, Dunn, Baena, Price & Axelrod First Union Financial Center 200 South Biscayne Boulevard, Suite 2500 Miami, FL 33131 Michael B. Joseph, Esq. Ferry & Joseph, P.A. 824 Market Street, Suite 904 P.O. Box 1351 Wilmington, DE 19899

Counsel to the Official Committee of Personal Injury Claimants

Elihu Inselbuch, Esq. Caplin & Drysdale 375 Park Avenue New York, NY 10152-3500

Marla R. Eskin Campbell & Levine, LLC Suite 300 800 N. King Street Wilmington, DE 19801

Official Committee of Equity Holders

Gary M. Becker Kramer Levin Naftalis & Frankel 1177 Avenue of the Americas New York, NY 10036

Teresa K.D. Currier, Esq. Buchanan Ingersoll & Rooney 1000 West Street, Suite 141 Wilmington, DE 19801

United States Trustee

Office of the United States Trustee Frank J. Perch, Esq. 844 King Street, Suite 2311 Wilmington, DE 19801